

**MINUTES OF THE
POLITICAL SUBDIVISIONS INTERIM COMMITTEE**
Wednesday, June 18, 2008 – 2:00 p.m. – W020 House Building

Members Present:

Sen. Dennis E. Stowell, Senate Chair
Rep. Fred R Hunsaker, House Chair
Sen. Sheldon Killpack
Sen. Michael G. Waddoups
Rep. Sheryl L. Allen
Rep. Tim M. Cosgrove
Rep. Bradley M. Daw
Rep. Gage Froerer
Rep. Kerry W. Gibson
Rep. Richard A. Greenwood
Rep. Christopher N. Herrod
Rep. Christine A. Johnson

Rep. Brad King
Rep. Jennifer M. Seelig
Rep. R. Curt Webb
Rep. Carl Wimmer

Members Absent:

Sen. Fred J. Fife

Staff Present:

Mr. Joseph Wade, Policy Analyst
Mr. Robert H. Rees, Associate General Counsel
Ms. Wendy L. Bangerter, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Stowell called the meeting to order at 2:15 p.m.

Due to the lack of a quorum, the minutes were not approved.

2. Affordable Housing in Utah (Affordable Housing 101)

Mr. Gordon Walker, Utah Division of Housing and Community Development, Utah Department of Community and Culture, discussed the affordable housing problem in Utah. He gave a slide presentation addressing the magnitude of the problem, the geographic needs, federal, state, and local programs, and projected needs. He reviewed projects the Division has accomplished and continues to work on to meet Utah's affordable housing needs for FY2009.

Committee discussion followed.

3. Residential Construction and Affordable Housing

Sen. Mark Madsen distributed 2008 General Session S.B. 86, "Economic Analysis and Reporting of Cost of Land Use Regulation." He stated that the bill does not limit powers or abilities of municipalities. It does provides a method of tracking costs for municipal regulations and requires minimal effort on the part of the municipality. He proposed using a form, created by the municipality, that itemizes all fees so the costs can be tracked and tallied. The bill would define costs of new home construction. He requested time on a future agenda to bring 2009 proposed legislation to the Committee.

Committee discussion followed.

4. Manufactured Housing

Sen. Karen Mayne explained that she has nine mobile home parks in her district and is requesting that the Committee consider the preservation of mobile home parks as a viable form of affordable housing.

Mr. Michael Torrens, Director, Corporation for Enterprise Development, addressed several points regarding manufactured housing:

- manufactured housing is the largest source of unsubsidized affordable housing;
- some manufactured home residents can own and operate their own communities;
- mobile homes are not mobile;
- closure of parks is costly; and
- relocation is difficult and many residents become subsidized renters following relocation.

Mr. Torrens gave recommendations for preserving mobile home parks by financially helping residents purchase the property on which to locate their mobile home.

Mr. Steve Graham, President, Utah Community Investment Program, explained the efforts of his program to convert private investor-owned parks to mobile home parks as a viable, permanent, and affordable home ownership choice that is an asset-building investment for families and will make attractive neighborhoods for Utah communities. He explained there are mechanisms in the market today that will enable mobile home parks to be resident owned.

Committee discussion followed.

5. Zoning and Housing Development

Rep. Christopher Herrod discussed ways for the state to encourage zoning which invites the development of a wide range of housing choices.

Mr. Shawn Teigen, Utah Community Action Partnership Association, discussed the need to create a way for the private sector to develop housing on private property.

Mr. Craig Call, former Property Rights Ombudsman, introduced some local zoning ordinances. He stated one of the purposes of the ombudsman office is to preserve property values. He reviewed some loose standards set by counties in Utah. He also gave some recommendations to achieve a logical system that could be adjusted to current values.

Mr. Jim Wood, Bureau of Economic and Business Research, University of Utah, discussed the processes used by communities to plan developments. He said the most significant problem of affordability is the reluctance of cities to allow high density housing.

Committee discussion followed.

6. Comments Regarding Affordable Housing

Mr. Carlton Christensen, Salt Lake City Council, asked the Committee to consider what resources cities have to contribute to affordable housing. He explained the limitations for using those resources.

Mr. Howard Headly, President, Utah Bankers Association, explained that the Association shares the interest in and has invested much into affordable housing. He expressed the Association's desire to compile options in one place and make them available to consumers by distributing them through local banks.

Ms. Francisca Blanc, Utah Housing Coalition, encouraged the Legislature to look to the betterment of the residents of mobile home parks, as well as the communities in which they live.

Mr. Thomas Rogers, citizen, addressed the regulations of Housing and Urban Development housing. He distributed a flyer and spoke in favor of manufactured housing because it allows people to purchase their home, as well as the land it sits on.

Mr. Mark Lundgrun, Director, Utah Resident Owned Communities (UROC), explained the efforts of UROC to encourage residents of manufactured housing to be proactive toward resident owned cooperative parks. He stated that current owners do not have an incentive to sell to their residents.

Ms. Marci Milligan, Utah Workforce Housing Initiative, explained that her office, with the help of 15 financial institutions and a current data system software, provides tools to municipalities to help them in their planning. It also provides best practices resources.

Mr. Lincoln Shurtz and Ms. Jodi Hoffman, Utah League of Cities and Towns, addressed several issues that add to the problem of affordable housing. They noted that the private sector should, along with government, be interested in finding solutions. They explained that the league is bringing stake holders together in a task force and the top priority is how to create affordable housing that stays affordable over time. They said they will have consensus-based legislation ready to bring to the Legislature.

7. Other Items/Adjourn

MOTION: Rep. Greenwood moved to adjourn the meeting. The motion passed unanimously. Rep. Allen, Rep. Gibson, Rep. King, and Rep. Wimmer were absent for the vote.

Chair Stowell adjourned the meeting at 5:00 p.m.